

SENATE BILL REPORT

SB 5484

As Reported By Senate Committee On:
Financial Institutions, Housing & Consumer Protection, February 16, 2005

Title: An act relating to monitoring and reporting on check cashers and sellers.

Brief Description: Monitoring and reporting on check cashers and sellers.

Sponsors: Senators Fairley, Kline, Shin and Rasmussen.

Brief History:

Committee Activity: Financial Institutions, Housing & Consumer Protection: 2/8/05, 2/16/05 [DP].

SENATE COMMITTEE ON FINANCIAL INSTITUTIONS, HOUSING & CONSUMER PROTECTION

Majority Report: Do pass.

Signed by Senators Fairley, Chair; Berkey, Vice Chair; Benson, Brandland, Delvin, Franklin, Keiser, Prentice, Schmidt and Spanel.

Staff: Joanne Conrad (786-7472)

Background: The Department of Financial Institutions (DFI) is responsible for regulation of the payday loan industry. Payday lenders cover a spectrum, from small local companies, to large multi-state corporate enterprises. DFI already has certain statutory authority to access data, records, and other information on licensees and applicants.

Concerns exist that DFI's current data collection may not fully capture the entire range of information about the industry. Policymakers may need additional information in order accurately assess the industry's extent, demographics, and legal compliance. Some believe that the ability to obtain and report on the full spectrum of the industry in Washington State would be useful.

Summary of Bill: All check cashier and seller licensees provide DFI with any data required for monitoring the industry and reporting to the Legislature. DFI reports to the Legislature each December, including data adequate to obtain an accurate understanding of the practices, demographics, legal compliance, and profitability of all check cashiers and sellers licensed in Washington State.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: This bill will help protect consumers by providing information on the entire payday loan industry.

Testimony Against: None.

Who Testified: PRO: Dennis Bassford, Moneytree; Robert Pregulman, WASHPIrg; Capt. Dargan, USN; Liz Kosse, Navy and Marine Relief Society; Lauren Maughon, AARP. OTHER: Gary Gardner, BECU.

CON: None.